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C O N F I D E N T I A L ASUNCION 000048

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E.O. 12958: DECL: 07/26/2017

TAGS: PREL PGOV PA

SUBJECT: COLORADOS' ELECTION TRIBUNAL DECLARES OVELAR

PRIMARY WINNER

REF: ASUNCION 37

Classified By: DCM Michael J. Fitzpatrick for reasons 1.4 (b) and (d).

- 11. (C) SUMMARY: The Colorado Party has declared President Duarte's chosen successor, Blanca Ovelar, as the party's candidate for April's presidential elections. Former Vice President Castiglioni, however, has legally appealed to block Ovelar's formal insciption as the Colorado candidate, claiming that significant fraud in the voting and vote-counting robbed Castiglioni of victory. The Colorado Party's ongoing crisis will increasingly damage the party's ability to win in April -- much less to be seen, domestically or internationally, as winning freely and fairly. END SUMMARY.
- 12. (U) The Colorado Party's Election Tribunal (TEP) officially declared January 20 Blanca Ovelar as the narrow winner of the December 16 presidential primary over rival Luis Castiglioni. After more than one month's delay, the TEP ruled that Ovelar won by a margin of 4,020 votes over Castiglioni. According to the TEP, Ovelar secured 366,722 votes (45.04 percent), Castiglioni 362,702 votes (44.55 percent), Jose Alderete 41,058 votes (5.04 percent) and Juan Ybanez 8,892 votes (1.09 percent). Candidates from Ovelar's Progressive Colorado Movement ("oficialistas") for the Senate, Chamber of Deputies, Mercosur Parliament, and governships outpolled candidates from Castiglioni's Colorado Vanguard Movement by over 40 percent (1,388,554 to 991,267 votes). (NOTE: By Castiglioni's separate count, his ticket was ahead by several thousand votes before the TEP suspended vote counting in December. END NOTE.) The oficialistas celebrated their victory January 21 and called on Castiglioni to concede defeat and unite behind Ovelar.
- 13. (U) Castiglioni and his supporters continue to claim victory and refuse to recognize Ovelar's "crowning" by the TEP Castiglioni and his backers have publicly denounced alleged voting irregularities, fraud in the vote counting, exclusion of pro-Castiglioni elements from the TEP and internal conflicts of interest among remaining TEP members that all favored the oficialistas (reftel). Castiglioni has filed suit before the national Electoral Board (TSJE), seeking to overturn the TEP's decision. Castiglioni has publicly told CNN and other media that he will provide the TSJE evidence that as many as 30,000 votes were stolen from

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him. He has also stated publicly he will free his supporters to vote as they wish in the April presidential election (i.e., they can choose between Ovelar and various opposition candidates or boycott), but that he personally will vote a blank ballot in protest.

14. (U) In anticipation of the TEP's decision, over 10,000 Castiglioni supporters gathered January 18 in Asuncion (reftel) to show their support for Castiglioni and to denounce the oficialistas, singling out President Duarte, TEP President Oscar German LaTorre, and Senator Juan Carlos Galaverna for allegedly manipulating the election in Ovelar's favor. (NOTE: Galaverna publicly admitted January 12 that he helped orchestrate electoral fraud during the 1992 Colorado primary. END NOTE.) In a rare display of inter-party solidarity, Beloved Fatherland Party (PPQ) President Pedro Fadul and Liberal (PLRA) Senator Rafael Filizzola were among opposition leaders who spoke at the demonstration alongside Castiglioni to denounce "oficialista" Colorado fraud. (NOTE: The demonstration was peaceful. Some Castiglioni supporters traveling from Ciudad del Este to attend the demonstration had been temporarily delayed by police transportation authorities who claimed that their busses were not authorized to travel via that route. Castiglioni supporters subsequently blocked the highway until authorities relented and let them pass. END NOTE.) Duarte, Galaverna, LaTorre and others appeared at a simultaneous "oficialista" event that evening in support of Ovelar.

COMMENTS

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15. (C) COMMENTS: The TEP's ruling surprises absolutely no one; President Duarte, Senator Galaverna and others were publicly stating that the TEP would declare Ovelar the winner — and by some 4,000 to 5,000 votes — days before the TEP actually finished officially counting the votes. Castiglioni has indicated that, should the TSJE (known to favor Duarte) not to nullify the TEP's ruling, he will appeal to the national Supreme Court. Both the TSJE and Supreme Court are widely seen not as neutral arbiters but as sympathetic to the oficialistas, and Castiglioni faces an uphill battle to overturn the Colorado primary results. The legal appeals also

must be resolved quickly, as February 1 is the deadline for inscribing official party candidates for the presidential elections. Should that not be possible, the TSJE can be expected to slip the election date several weeks past the current April 20. (The Constitution requires elections between 90 and 120 days before the August 15 inauguration date.)

16. (C) COMMENTS (Cont.): The Colorados internal crisis is not over; it has simply evolved. While Ovelar is the presumptive Colorado presidential candidate, Castiglioni could still alter the election landscape. If he decides to concede defeat and unites in support of Ovelar -- something he has vowed not to do -- he would greatly strengthen the party's position going into the general elections. If Castiglioni continues his fight and divides the party -- or if he decides to back an opposition candidate -- he would increase the likelihood that the opposition will win the upcoming presidential election. While Castiglioni wants to ensure his political future as a Colorado and avoid contributing to the Colorados' first electoral defeat in 61 years, he must choose whether to accept what he considers to be fraudulent election results or continue his fight against perceived electoral fraud that could further damage the party and end the Colorados' political dominance. Given the sorry spectacle of vote fraud on display for the past month -- and the bitter taste that dispute is leaving in the mouths of many observers, Colorados and non-Colorados alike --Castiglioni just may have decided that the Colorados oficialistas have already jeopardized the party's future, no matter what he does now.

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